

# **DAIMLERCHRYSLER**

## **2002 RESULTS**

### **PRESS CONFERENCE**

**- Group Financial Performance -**

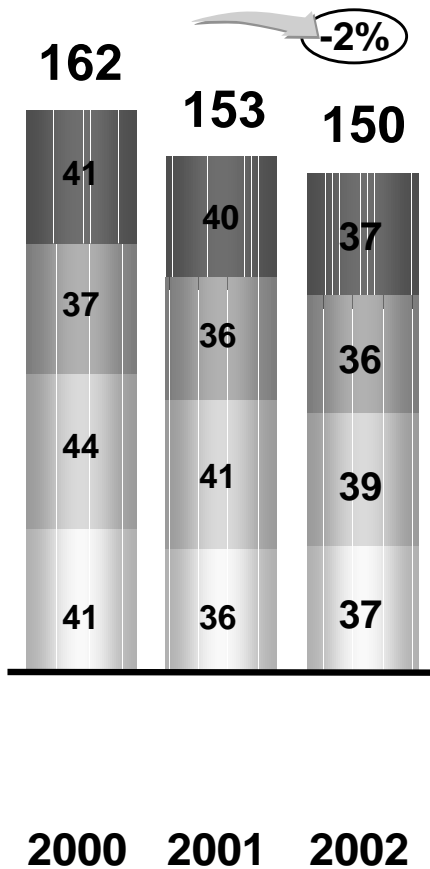
**Manfred Gentz**  
**Chief Financial Officer**

**Stuttgart**  
**February 20, 2003**

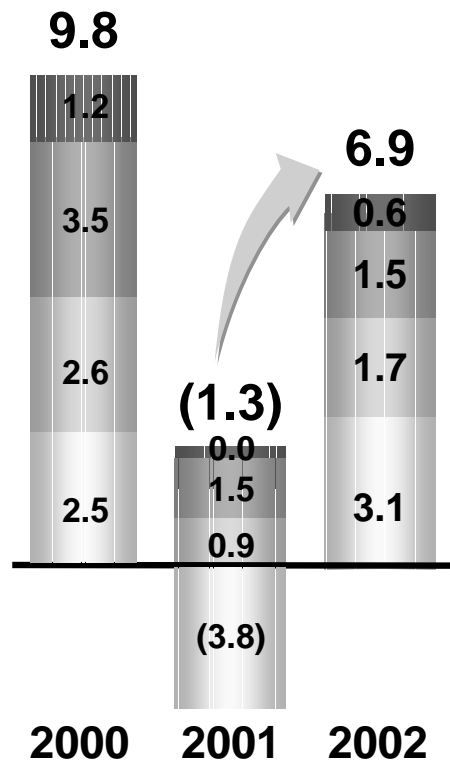
# KEY FIGURES

– INCLUDING ONE-TIME EFFECTS –

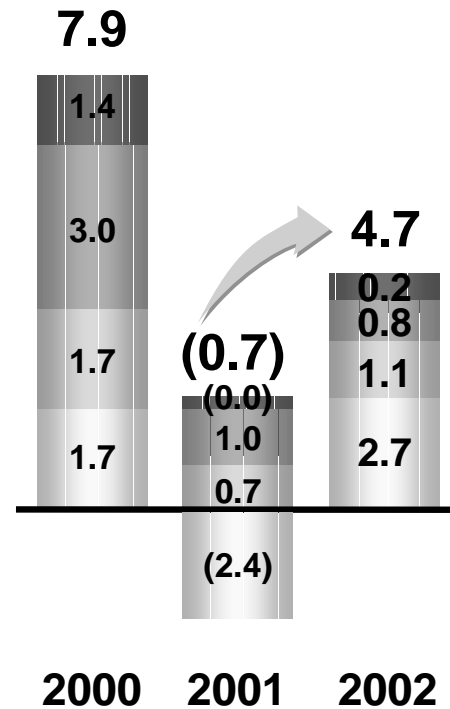
Revenues  
- in billions of EUR -



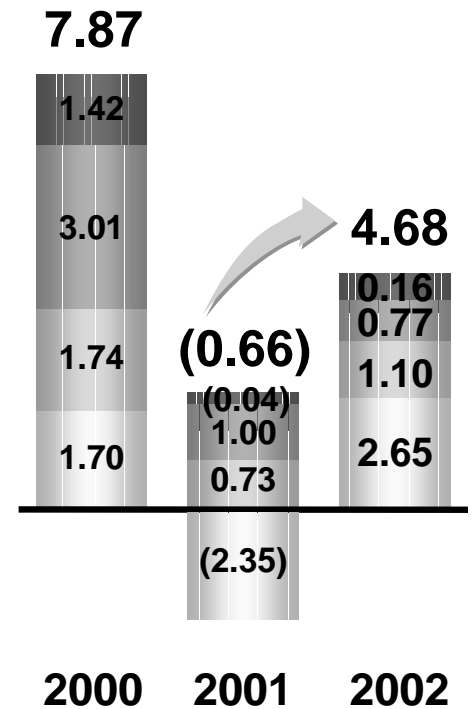
Operating Profit  
- in billions of EUR -



Net Income  
- in billions of EUR -



Earnings per share\*  
- in EUR -



Q1 Q2 Q3 Q4

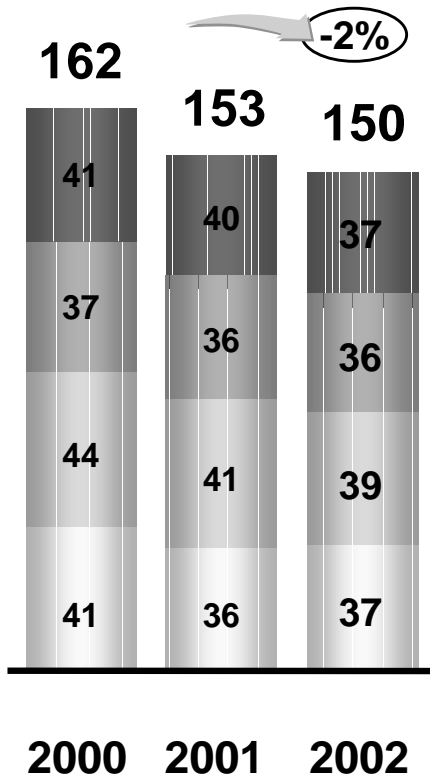
\*) Average number of shares 2000: 1,003.2 million, 2001: 1,003.2 million, 2002: 1,008.3 million

## ONE-TIME EFFECTS

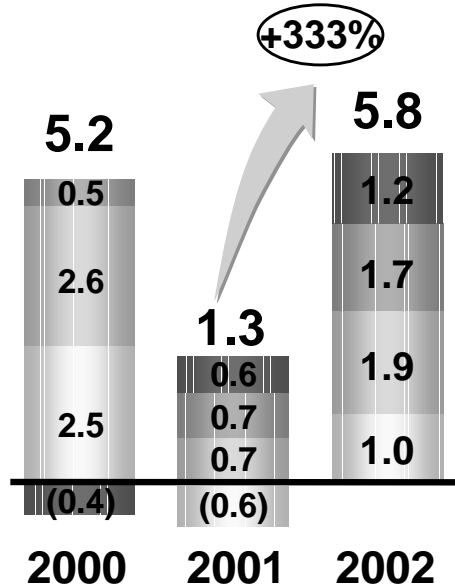
- in millions of EUR -	Operating Profit		Net Income	
	FY 2002	FY 2001	FY 2002	FY 2001
Gain on sale of 49.9% interest in T-Systems ITS	2,484	-	2,484	-
Gain on sale of 40% (2001: 60%) stake in TEMIC	156	209	145	203
Chrysler Group	(708)	(3,098)	(453)	(1,968)
Commercial Vehicles	(519)	(542)	(329)	(341)
Impairment on Capital Services portfolio	(281)	(166)	(192)	(108)
Impact financial crisis Argentina	(107)	(115)	(107)	(147)
Transition adjustment resulting from adoption of SFAS 142 (goodwill valuation)	-	-	(159)	-
Formation of Airbus SAS	-	876	-	747
Sale of remaining shares in debitel	-	292	-	214
Gain on sale of Adtranz	-	250	-	237
One-time charges at MMC (at equity)	-	(351)	-	(211)
Other	-	(18)	-	(18)
<b>Total</b>	<b>1,025</b>	<b>(2,663)</b>	<b>1,389</b>	<b>(1,392)</b>

**KEY FIGURES**  
 – EXCLUDING ONE-TIME EFFECTS –

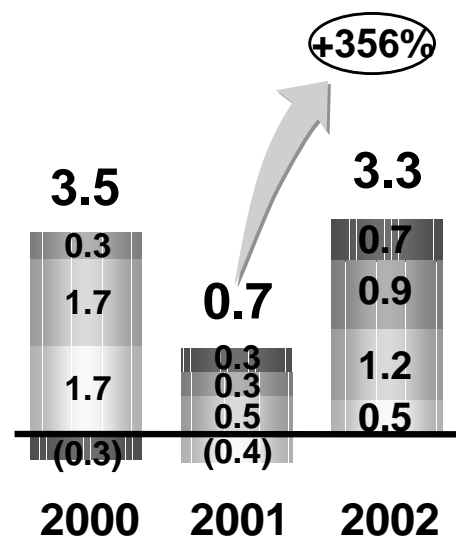
Revenues  
 - in billions of EUR -



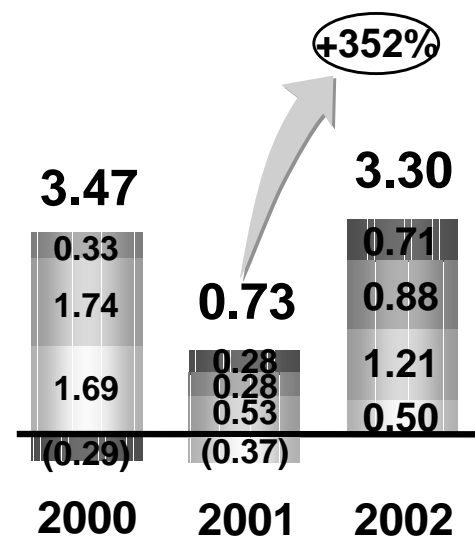
Operating Profit  
 - in billions of EUR -



Net Income  
 - in billions of EUR -



Earnings per share\*  
 - in EUR -

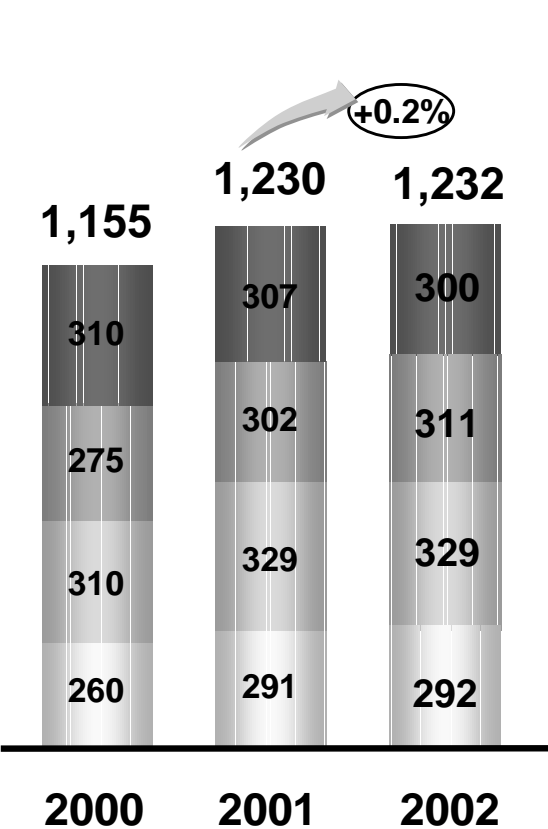


■ Q1   ■ Q2   ■ Q3   ■ Q4

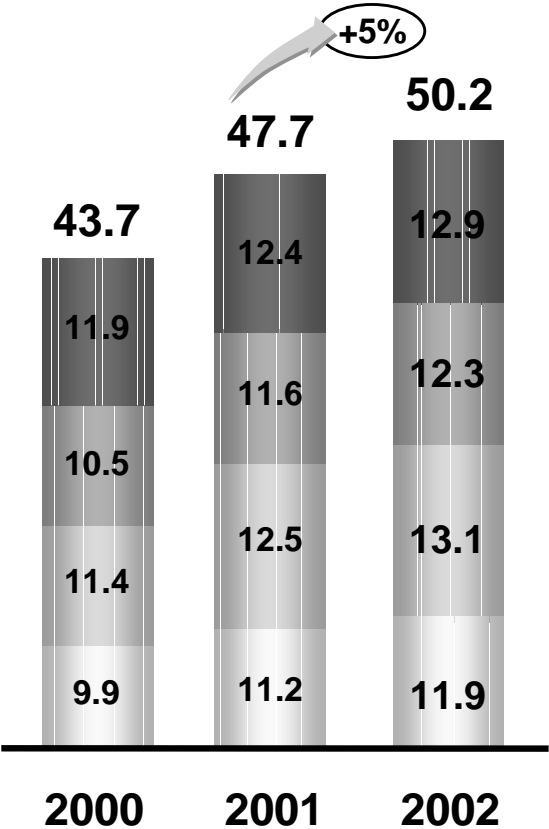
\*) Average number of shares 2000: 1,003.2 million, 2001: 1,003.2 million, 2002: 1,008.3 million

# HIGH PROFIT LEVEL OF PREVIOUS YEAR EXCEEDED

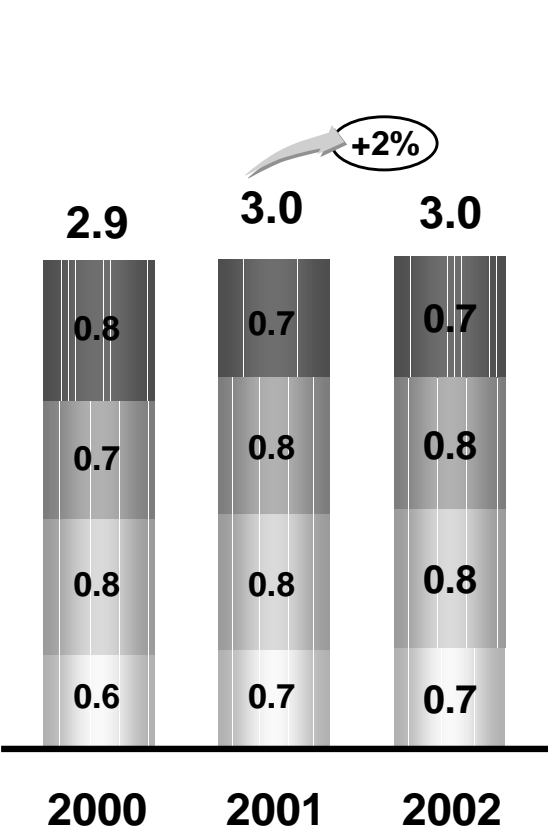
**Sales**  
- in thousand units -



**Revenues**  
- in billions of EUR -



**Operating Profit\***  
- in billions of EUR -



\* Adjusted for one-time effects

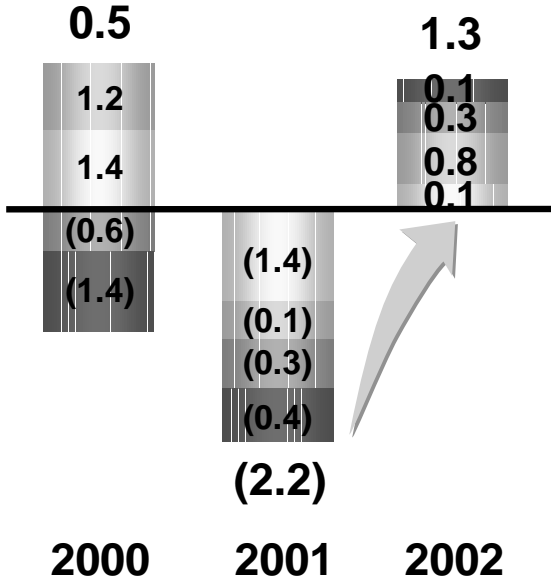
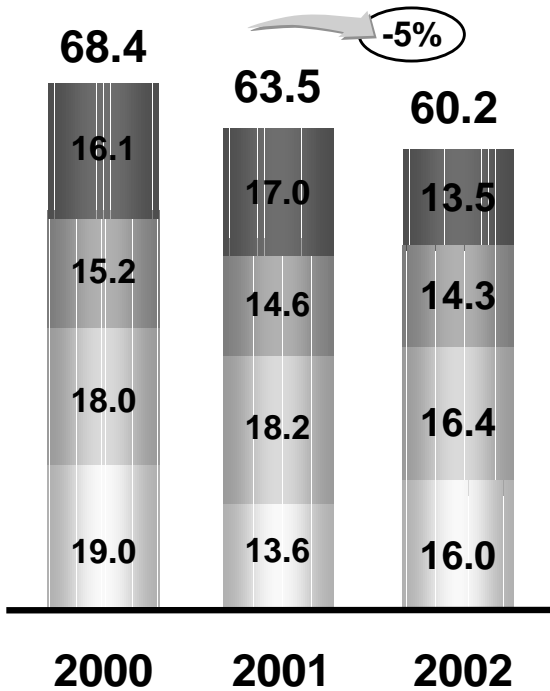
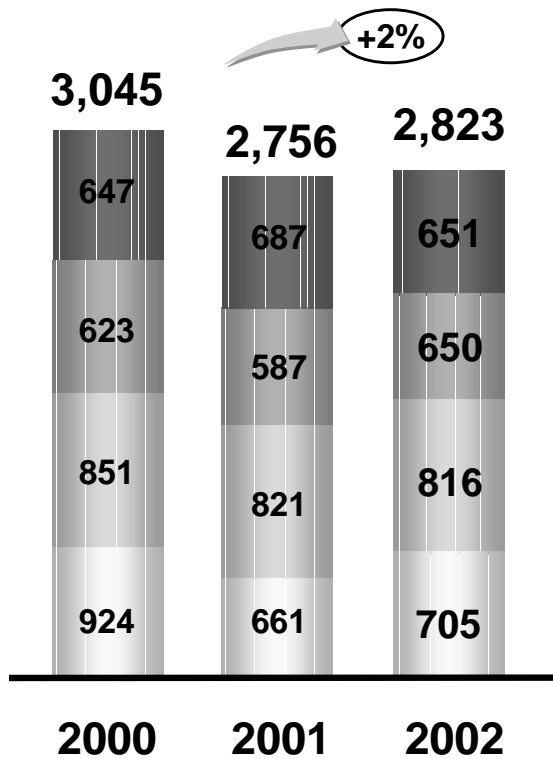
■ Q1   ■ Q2   ■ Q3   ■ Q4

# PROFIT TARGET SIGNIFICANTLY OVERACHIEVED

**Sales <sup>1)</sup>**  
- in thousand units -

**Revenues**  
- in billions of EUR -

**Operating Profit <sup>2)</sup>**  
- in billions of EUR -



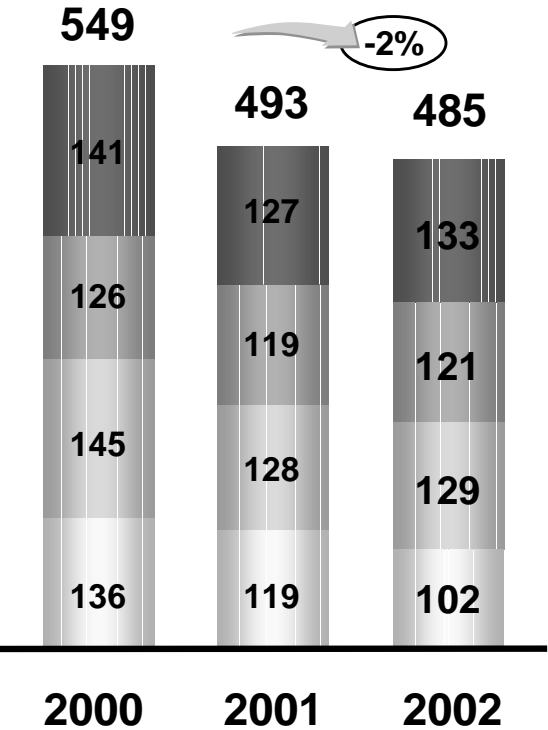
1) Corresponds to Chrysler shipments

2) Adjusted for one-time effects

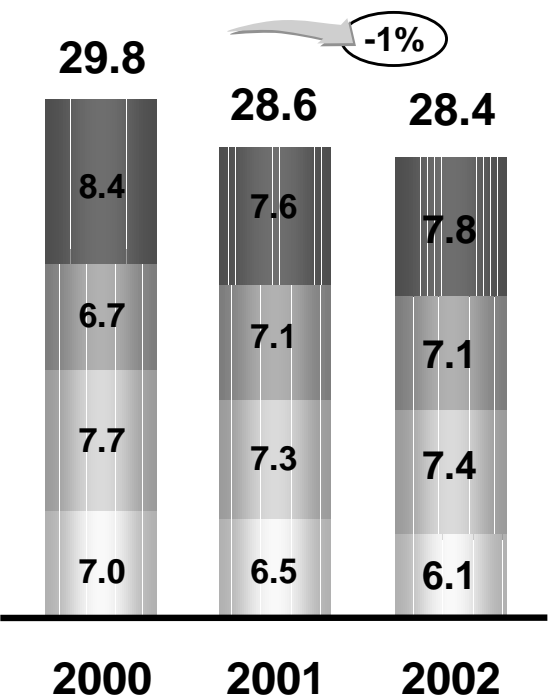
■ Q1   ■ Q2   ■ Q3   ■ Q4

# EARNINGS HIGHER DESPITE DIFFICULT MARKETS

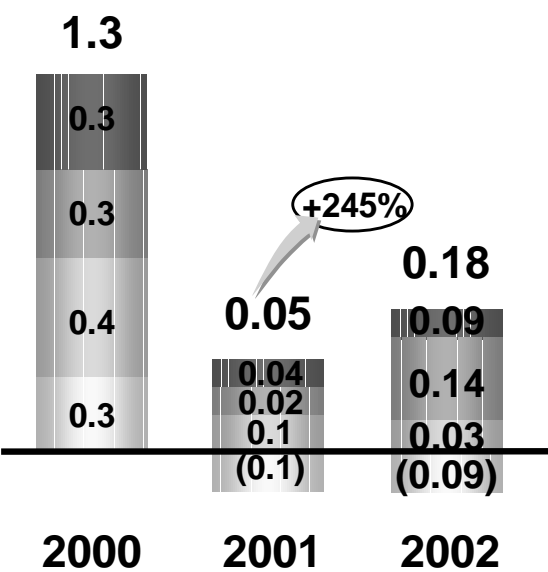
**Sales**  
- in thousand units -



**Revenues**  
- in billions of EUR -



**Operating Profit\***  
- in billions of EUR -

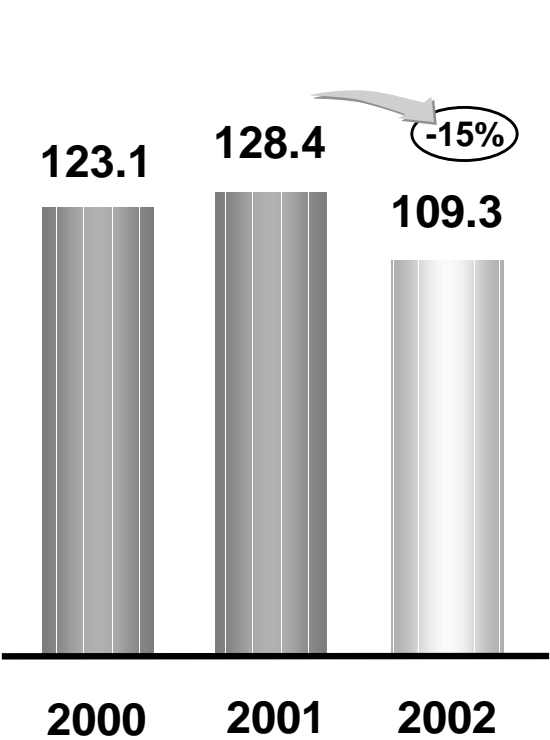


\* Adjusted for one-time effects

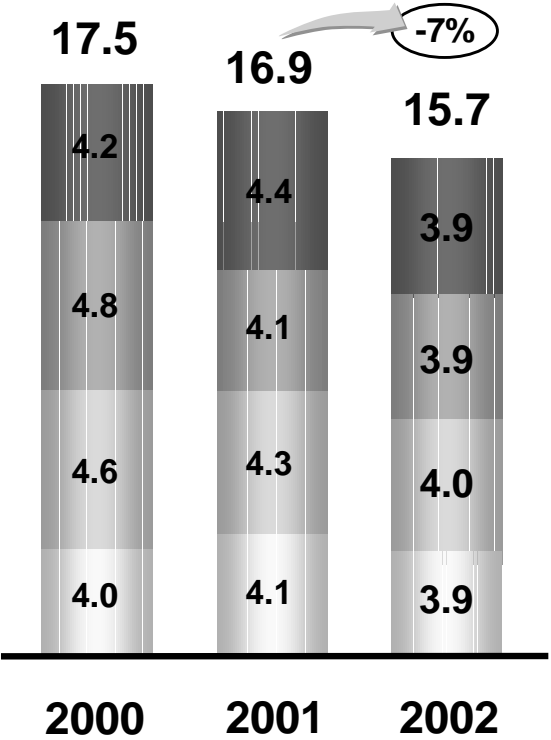
■ Q1   ■ Q2   ■ Q3   ■ Q4

# SIGNIFICANTLY IMPROVED PROFITABILITY

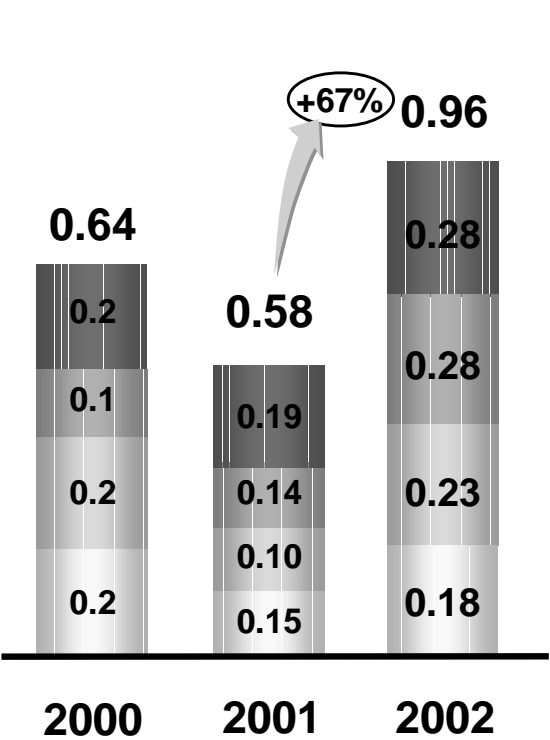
Contract Volume  
- in billions of EUR -



Revenues  
- in billions of EUR -



Operating Profit\*  
- in billions of EUR -



\* Adjusted for one-time effects

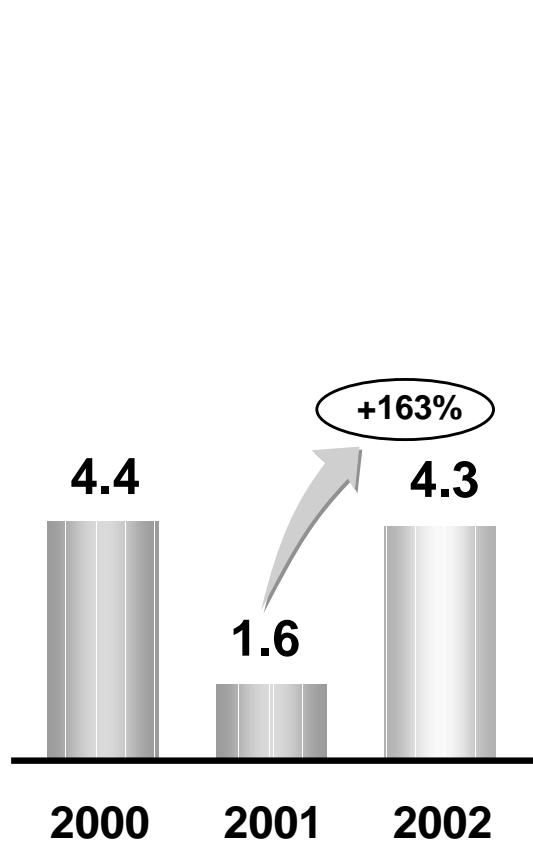
■ Q1   ■ Q2   ■ Q3   ■ Q4



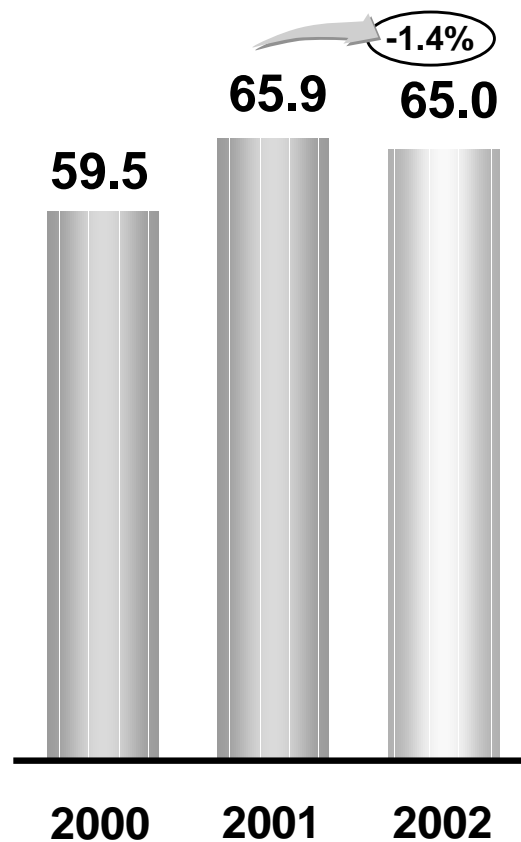
# PERFORMANCE MEASURES

– EXCLUDING ONE-TIME EFFECTS –

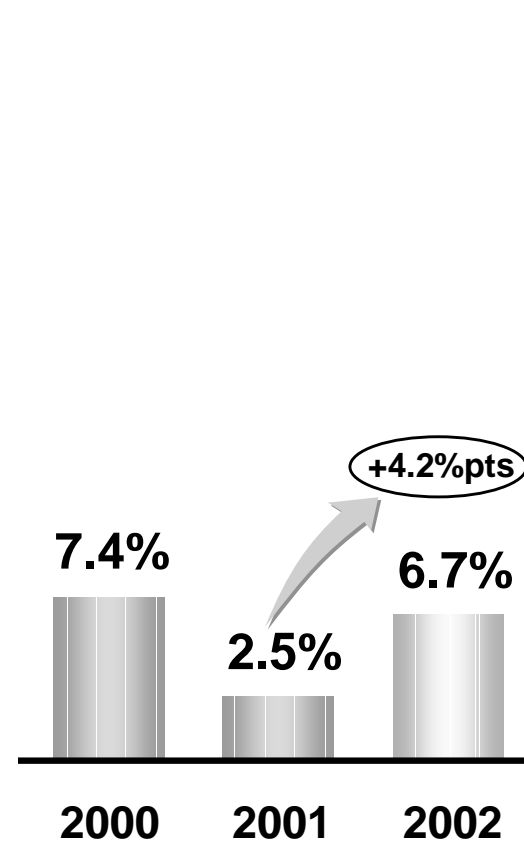
Net Operating Income  
- in billions of EUR -



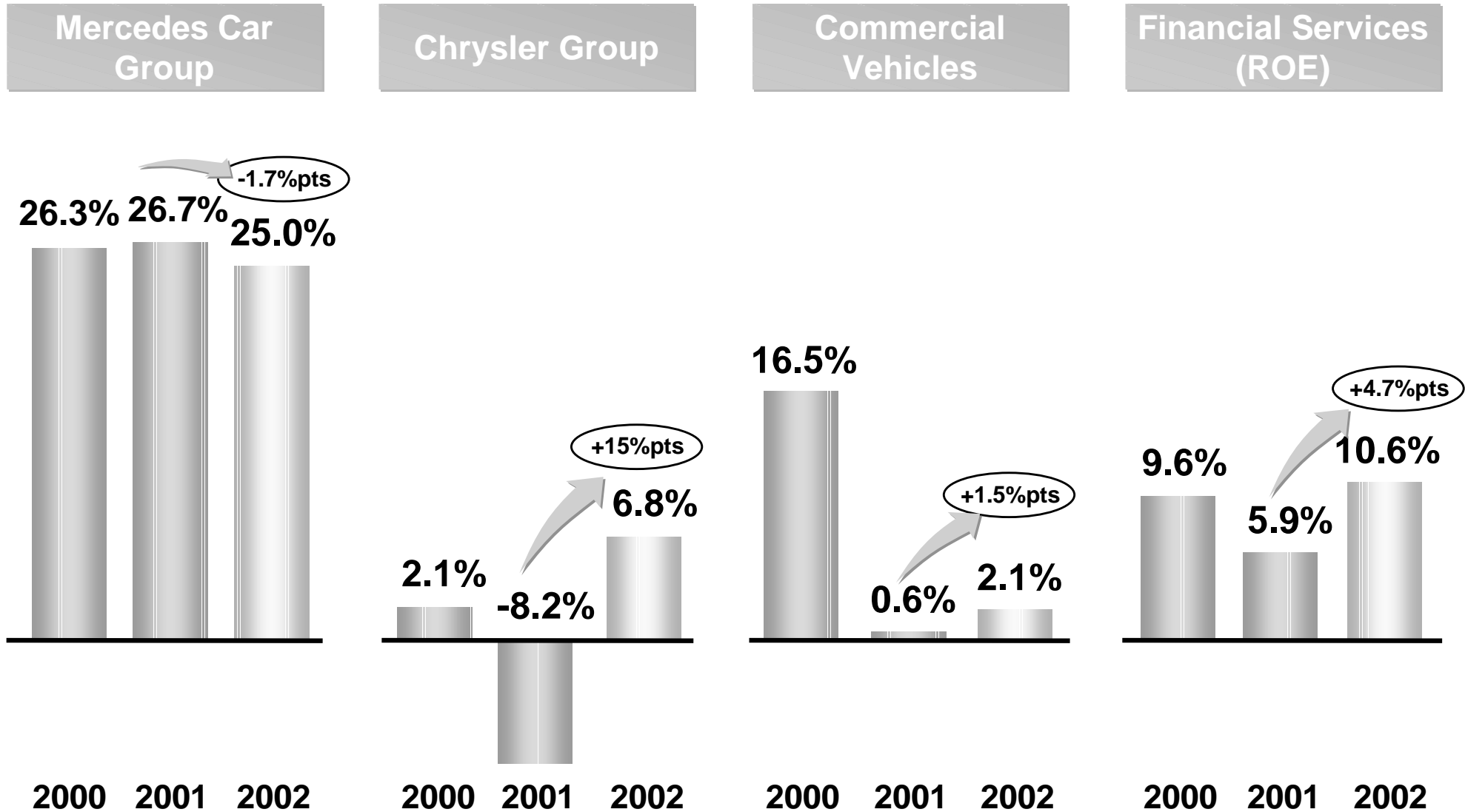
Average Net Assets  
- in billions of EUR -



Return on Net Assets  
(after taxes at Group level)



**RONA OF THE DIVISIONS**  
 – EXCLUDING ONE-TIME EFFECTS, BEFORE TAXES –



## FINANCIAL INCOME

	including one-time effects		excluding one-time effects	
	FY 2002	FY 2001	FY 2002	FY 2001
- in millions of EUR -				
Income (loss) from investments, net	2,640	332	87	(413)
Interest income, net	(320)	(277)	(320)	(277)
Other financial income (loss), net	(112)	99	(112)	161
<b>Financial income (loss), net</b>	<b>2,208</b>	<b>154</b>	<b>(345)</b>	<b>(529)</b>

## KEY BALANCE SHEET FIGURES

- in billions of EUR -	Dec. 31 2002	Dec. 31 2001
Gross liquidity Group	12.4	14.5
<b>Gross liquidity industrial business</b>	<b>11.1</b>	<b>10.7</b>
Group equity	34.9	39.0
Equity ratio Group	17.8%	18.3%
<b>Equity ratio industrial business</b>	<b>24.8%</b>	<b>25.7%</b>
Financial liabilities Group*	77.5	90.1
<b>Financial liabilities industrial business*</b>	<b>10.6</b>	<b>15.0</b>
Net debt Group	(65.0)	(75.6)
<b>Net cash (net debt) industrial business</b>	<b>0.5</b>	<b>(4.3)</b>

\* Adjusted by the effects of the mark-to-market valuation according to SFAS 133

## PENSION STATUS 2002

- **Due to weak performance of equity markets year-end returns on pension assets were a negative 8.8% for US plan assets and 15.5% for German plan assets.**

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- **After an extraordinary cash contribution of EUR 1.1 billion in 2002 and existing accruals, pension obligations were underfunded at year-end 2002 by around EUR 5.7 billion (thereof around EUR 3.7 billion North America).**

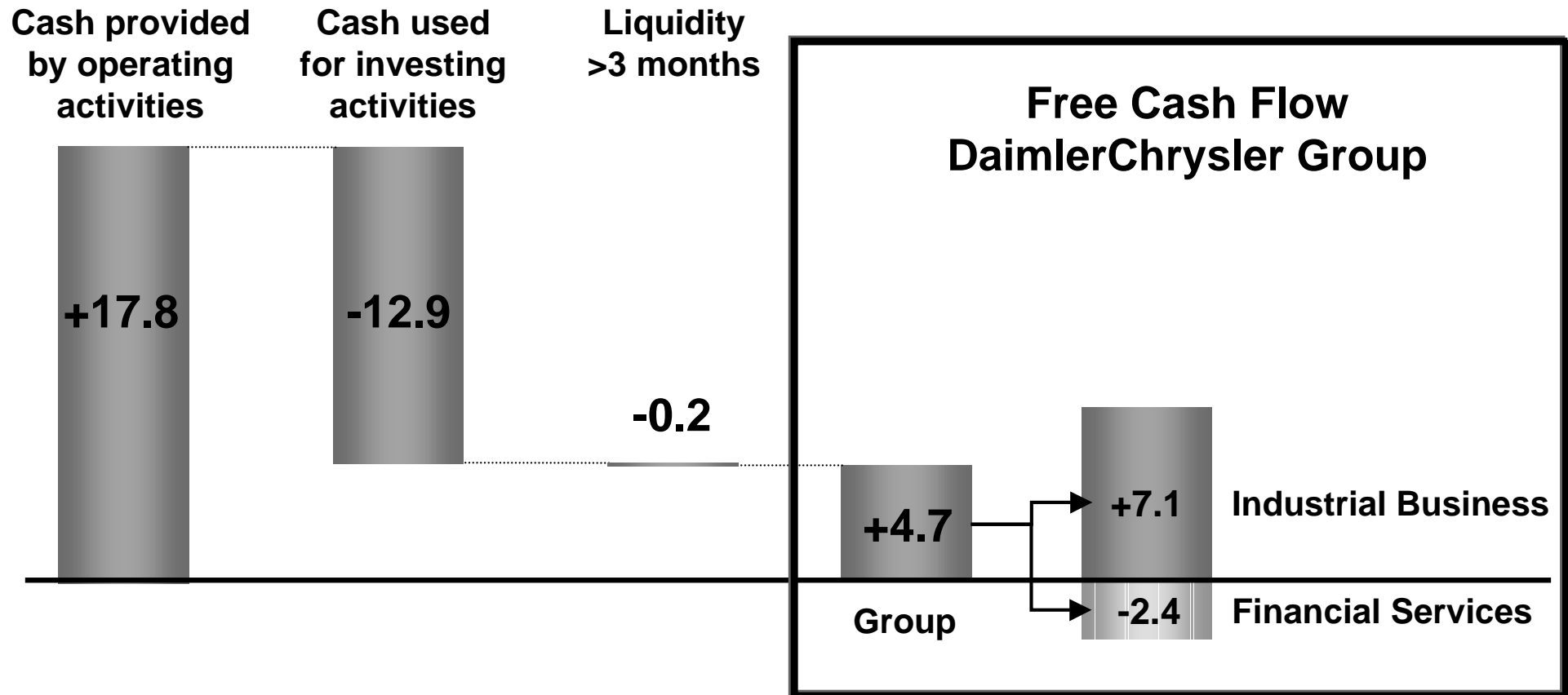
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- **Due to the underfunded status increase in pension accruals of EUR 4.7 billion in 2002.**

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- **In 2002 the underfunded status had no impact on earnings, but on shareholders' equity.**

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- **Pension expenses are expected to increase by around EUR 700 million in 2003.**

# RECONCILIATION TO FREE CASH FLOW FY 2002

- in billions of EUR -



## FINANCIAL OUTLOOK FOR THE NEXT THREE YEARS

### ● Industrial Business:

- Improving free cash flow
  - Sufficient resources to finance all planned R&D costs, capital expenditure and financial participations
- 

### ● Financial Services:

- Controlled growth
  - Continued focus on automotive portfolio
- 

### ● DaimlerChrysler Group

- Revenues expected to grow slightly in 2003, gaining momentum thereafter
  - Tough and competitive market conditions to continue
  - Compared to 2002 average exchange rates euro expected to strengthen
- Attractive products and improved efficiency in all divisions a basis for further growth and improvement of earnings

## DISCLAIMER

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